Company Registration No. SC349721 (Scotland)

TEFL SCOTLAND LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2020

PAGES FOR FILING WITH REGISTRAR

TEFL SCOTLAND LTD

COMPANY INFORMATION

Directors	J E MacKenzie R J S Hallwood T D Wilkinson
Secretary	LC Secretaries Limited
Company number	SC349721
Registered office	Ledingham Chalmers LLP Kintail House Inverness United Kingdom IV2 3BW
Accountants	Azets 10 Ardross Street Inverness United Kingdom IV3 5NS

TEFL SCOTLAND LTD

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TEFL SCOTLAND LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 OCTOBER 2020

	Notes	2020		As restated 2019	
		£	£	£	£
Fixed assets					
Tangible assets	3		11,473		9,391
Investments	4		75		75
			11,548		9,466
Current assets					
Debtors	6	705,288		163,548	
Cash at bank and in hand		1,326,518		478,594	
		2,031,806		642,142	
Creditors: amounts falling due within one year	7	(1,922,048)		(610,002)	
Net current assets			109,758		32,140
Total assets less current liabilities			121,306		41,606
Provisions for liabilities			(1,982)		(510)
Net assets			119,324		41,096
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			119,224		40,996
Total equity			119,324		41,096

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 October 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 OCTOBER 2020

The financial statements were approved by the board of directors and authorised for issue on 27 April 2021 and are signed on its behalf by:

J E MacKenzie
Director

Company Registration No. SC349721

1 Accounting policies

Company information

Tefl Scotland Ltd is a private company limited by shares incorporated in Scotland. The registered office is Ledingham Chalmers LLP, Kintail House, Inverness, United Kingdom, IV2 3BW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

In common with most businesses, the directors have assessed whether the company faces potential issues as a result of the COVID 19 pandemic. They are confident that the business will not be adversely affected for the foreseeable future.

The directors are satisfied that these events do not affect the company's ability to continue as a going concern and this basis is appropriate for the preparation of the accounts.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Interest income

Interest income is recognised in the statement of income an retained earnings using the effective interest method.

1 Accounting policies **(Continued)**

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on reducing balance
Computers	33% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 Accounting policies **(Continued)**

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.16 Debtors

Short term debtors are measured at transaction price, less any impairment.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	20	19

3 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 November 2019	14,236	21,904	36,140
Additions	1,995	3,928	5,923
At 31 October 2020	16,231	25,832	42,063
Depreciation and impairment			
At 1 November 2019	10,304	16,445	26,749
Depreciation charged in the year	1,357	2,484	3,841
At 31 October 2020	11,661	18,929	30,590
Carrying amount			
At 31 October 2020	4,570	6,903	11,473
At 31 October 2019	3,932	5,459	9,391

4 Fixed asset investments

	2020	2019
	£	£
Investments	75	75

5 Subsidiaries

Details of the company's subsidiary at 31 October 2020 is as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
TEFL Courses Ireland Limited	Ireland	Ordinary	100.00

6 Debtors

	2020	As restated 2019
Amounts falling due within one year:	£	£
Trade debtors	-	10,199
Amounts owed by group undertakings	625,998	97,325
Other debtors	57,667	28,181
Prepayments and accrued income	21,623	27,843
	705,288	163,548

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	18,193	22,064
Amounts owed to group undertakings	1,456,740	360,561
Corporation tax	254,954	17,157
Other taxation and social security	110,428	72,607
Deferred income	57,228	80,527
Other creditors	8,062	9,425
Accruals and deferred income	16,443	47,661
	1,922,048	610,002

8 Prior year adjustment

It was noted that a bank account was incorrectly included within other debtors in the prior year.

This has been restated so that the prior year cash at bank and in hand figure has increased from £227,313 to £478,594 and other debtors reducing from £279,462 to £28,181.

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
Within one year	-	14,102
	-	14,102

10 Directors' transactions

During the year directors introduced £282,268 (*2019 - £177,457*) to the company and withdrew £282,268 (*2019 - £ 225,796*).

Amounts owed to the company at the year end were £nil (*2019 - £nil*).

Loans with the directors are repayable on demand and no interest is charged.

11 Parent company

The directors consider TEFL Organisation Limited to be the ultimate controlling party.

The address of the company's registered office is:

Kintail House,
Beechwood Park,
Inverness,
IV2 3BW

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